

## ***City Council Meeting Minutes***

**May 14, 2019  
Library Meeting Room  
951 Spruce Street  
7:00 PM**

**Call to Order** – Mayor Muckle called the meeting to order at 7:00 p.m. The following members were present:

**City Council:**        ***Mayor Robert Muckle  
Mayor Pro Tem Jeff Lipton  
Councilmember Chris Leh (arrived 7:20 pm)  
Councilmember Susan Loo  
Councilmember Dennis Maloney  
Councilmember Ashley Stolzmann***

**Absent:**                ***Councilmember Jay Keany***

**Staff Present:**       ***Heather Balser, City Manager  
Megan Davis, Deputy City Manager  
Kevin Watson, Finance Director  
Aaron DeJong, Economic Development Director  
Rob Zuccaro, Planning & Building Safety Director  
Emily Hogan, Assistant City Manager for Communications  
& Special Projects  
Meredyth Muth, City Clerk***

**Others Present:**    ***Kathleen Kelly, City Attorney***

### **UPDATE– ROCKY MOUNTAIN METROPOLITAN AIRPORT CONSULTANT**

Assistant City Manager Hogan stated the Council partnered with the Town of Superior to hire consultants ABCx2 which specializes in working with communities and airports to address aircraft noise issues. The consultants will focus on an assessment of current conditions, community/industry engagement, and strategy development in an effort to reduce the impacts from Rocky Mountain Metropolitan Airport to both communities.

Jason Schwartz from ABCx2 stated the goal is to understand the current conditions and try to identify solutions. That would be followed by implementation and monitoring. It will need to address operational procedures for the aircraft and find things that will be acceptable by those controlling the aircraft. There will need to be buy in from the airport,

controllers, and pilots for this to work. Superior and Louisville can ask for a change to the flight plans but unless those others agree to it nothing will change. They are trying to build relationships and collaboration with the industry side for this reason.

He reviewed the tasks of the project: a baseline assessment, community engagement, industry engagement, and strategy development. The baseline assessment has been completed. Community engagement is ongoing as is industry engagement. The industry response has been very positive. For strategy development they are working on possible changes to operational procedures, education, and outreach so pilots know the impacts on the neighbors. They are also looking at how land use and planning development is affected by the airport operations.

Schwartz noted key findings: the airport has seen consistent growth from 2015; the impacts to Louisville are primarily from approaches and departures activity. About 70% of the complaints from Louisville are from propeller operations and 20% from jet operations.

He reviewed the mitigation strategies. He stated they are looking at raising the pattern altitude to 1000 feet and looking for ways to access the airport without flying directly over Louisville. Policies and procedures are being reviewed as well. The process will include education and outreach to the flight schools, pilots, and air traffic controllers. He reviewed next steps and the implementation schedule.

Councilmember Maloney stated it appears the strategies are for mitigation not elimination. Schwartz stated if they can find strategies to reduce the number of flights over Louisville and the noise level that would be ideal, but it is not in their power to reduce the number of flights outright. Councilmember Maloney asked what the outreach looks like. Schwartz reviewed how they have been answering calls and publishing information for residents.

Hogan added the City's website now has more information and FAQs as well as contact information for staff and noise complaints for the airport. In addition, they are planning a community workshop for July.

Councilmember Maloney stated he wants to make sure the community feels they are being heard in the beginning so they can affect the final process.

Councilmember Stolzmann said she gets complaints in Ward 3 about the amount of noise and the increase in noise. Many people complain about it but they don't formally contact the airport with the complaint. She added she often gets the question about why the planes don't fly over Rocky Flats rather than homes. Jim Allerdice from ABCx2 stated that area is defined as not safe because it is too close to the mountains when flying by instrument control. If flying by visual control that might be allowed. He noted many other factors come into play including the type of aircraft, weather, and other conditions.

Allerdice stated the best options are to find corridors for ingress and egress but we will need the airport and tower to agree to those as it would be voluntary compliance.

Councilmember Stolzmann asked what the likelihood is of them adopting some of these strategies. Schwartz stated he thinks it is very good, these are good suggestions, and there is a long list of options so they feel confident some changes can be made.

Mayor Pro Tem Lipton asked if traffic is pushed from flying over Louisville are we then pushing it over some other City. We need to think about how what we might gain will affect others. He added the Jefferson County Commissioners will need to be interested in making changes as they control the airport. He asked if DIA traffic is an issue. Schwartz stated it doesn't seem to be an issue.

Councilmember Loo stated the airport does benefit us; we have corporations that fly jets in and out of the airport. She added the wildland fire tankers use the airport and are very important. She would hate to see the tanker operations leave Jeffco.

### **DISCUSSION/DIRECTION – URBAN RENEWAL “101”**

Director DeJong stated this is a primer on urban renewal so everyone has the same understanding of the documents, tools, and powers in play. The Urban Renewal laws come from state statute and it lays out the purpose, powers, and tools of the authority. The law allows one authority per city. Determining blight is required to use urban renewal powers. He reviewed the blighting factors noting the Highway 42 area has nine factors and 550 McCaslin has four factors.

DeJong stated the Louisville Revitalization Commission (LRC) is the urban renewal authority for Louisville. He reviewed the history of the board noting it was started in the 1970s, reestablished in 2005, and there was an initiative in 2007 that did not pass that would have made the City Council the urban renewal authority.

City Attorney Kelly reviewed recent changes from the legislature. She stated changes from 2015 – 2017 resulted in state statute changing the composition of authorities with a larger number of members and incorporating members from all other taxing entities in the urban renewal area. There are also provisions for paying back unused funds to the taxing authority. These changes affect new urban renewal authorities or those that make substantial changes to their urban renewal plan.

City Attorney Kelly stated that another change is that if there is a tax increase in an urban renewal area, all of that increase goes to the authority.

Councilmember Maloney asked if the City could choose to follow the new rules without making changes to our plan. City Attorney Kelly stated there is nothing that would prevent the LRC from making those changes if it wanted to. City Manager Balser stated the agreement the City made with Boulder County in 2005 addresses some of those issues.

Councilmember Stolzmann asked about new taxes that started after the URA was put in place. She noted these are new taxes not a tax increment generated by development in the URA. For example the new tax for the Rec Center is treated as TIF in those areas and goes to the LRC. Kelly stated to change that would require modification to the urban renewal plan or a new agreement with the LRC.

Director DeJong reviewed the Highway 42 Renewal Plan including the blight factors; the purpose is to eliminate and prevent blight and encourage reinvestment. The area generates a property tax TIF, but no sales tax TIF. City Attorney Kelly stated to add a sales tax TIF the LRC would have to ask for a change and it would require Council approval.

Mayor Pro Tem Lipton asked why parts of Main Street were included in the plan. Mayor Muckle stated in 2005 downtown wasn't what it is today and there was some concern it would require help from the LRC to redevelop. However, it did redevelop on their own.

Director DeJong stated eminent domain authority for the URA in the Hwy 42 area is no longer an option. For 550 McCaslin it might be an option but would require a supermajority of both LRC and Council and the consent of the property owner.

Director DeJong reviewed the City/LRC Cooperation Agreement. It includes support services for the LRC; states the Council has control of the LRC budget; and Council approves agreements, bonds, and financial commitments of the LRC. However, the LRC and the Council are separate political entities.

Director DeJong reviewed the agreement with Boulder County (The Tri-Party Agreement). It includes a shareback of TIF revenue at specific levels. No other Boulder County municipality has a similar agreement.

Director DeJong reviewed the LRC budget and projections; he noted the budget is approved annually by the Council. The 2020 TIF projection is almost \$1M in revenue exceeding expenses.

Director DeJong reviewed the tools available for urban renewal authorities in the statute: tax increment financing for property tax or sales tax, facilitating projects, and the ability to fund projects with financial assistance. Director DeJong gave an example of how TIF would be calculated on a hypothetical project.

The LRC has assisted in funding five projects to date including the South Street gateway and DELO Core Area Infrastructure Bonds.

Councilmember Stolzmann stated the bonds for the core area were appropriate but she doesn't think there is still blight in the street network. She asked if someone could ask for help to alleviate blight for the same reason now. Mayor Pro Tem Lipton stated each project would have to do its own analysis and determine its own factors at the time of

application. Kelly stated once an area has been determined to be blighted all of the properties are included for the duration of the time even if individual properties may have few or no blight factors.

Director DeJong and Mayor Muckle stated it has been the informal policy of the LRC that the bonds are paid for by the urban renewal area as a whole not just those that directly benefit. Director DeJong stated the bonds funded infrastructure but were also to encourage development in the area as a whole.

The LRC funded three other infrastructure projects: the Core Area Regional Detention Facility; the South Street Reconstruction, and the Alfalfa's/Center Court Infrastructure.

Director DeJong stated direct financial assistance from the URA can be used to make a redevelopment project financially feasible. The LRC has not funded any such projects to date. Applications require financial information showing the need. Many neighboring communities use direct financial assistance for private development. This process is separate from the development approval process with the City. The LRC is working on draft criteria for such projects.

Councilmember Stolzmann would like to review how other cities used these tools to better understand why projects need this funding to happen and how this tool facilitates redevelopment. City Manager Balser stated staff may not be able to answer those questions, it would be more a question for those jurisdictions. Mayor Pro Tem Lipton would like research for projects directly competing with us; Lafayette, Erie, and Superior.

Councilmember Stolzmann would like examples of where urban renewal had a clear good result and where also those where everyone agrees it was a bad use of taxpayer funding.

Mayor Muckle disagreed stated that is too much research. He stated this is not much different than the other business assistance we do. He is not sure we would learn much given the amount of work it would take. He does agree we do want a good set of principals or good policy for us to use for financial assistance.

Mayor Pro Tem Lipton stated for all projects we need to understand the basic imbalances in markets, the price of real estate and construction, and what rents can reasonably be expected for the project. There may be a reason to fund some projects based on the criteria but we don't want to impact the real estate market. Yet stimulating some revitalization when we need it and sustaining the tax base is in the community's interest.

Councilmember Stolzmann stated we need to be judicious and have a good set of principles for when we want to use TIF financing and when not. She would like examples of when it has worked well and when not.

Mayor Pro Tem Lipton stated we are seeing basic imbalances in the market in land costs and construction costs. The markets are very unusual now. As a small community, it

might make sense to help some projects based on certain criteria and principals. He would like to see information about how similar sized communities have used TIF well.

Councilmember Stolzmann would like to know what impacts funding from the City might have on the surrounding areas. Staff should gather that information so we have enough information to make decisions; what to look for and what to avoid in using TIF. To facilitate the conversation on policies we need some research from staff.

Mayor Pro Tem Lipton would like a discussion of what the goals are so the Council can build principals around the goals.

Director DeJong stated in looking at direct financial assistance we generally determine if it is a use we need in the area. To switch that from “need” to “want” would affect the principals and criteria we choose and the analysis of an application.

Councilmember Maloney stated the objectives the LRC are using reflect the time the cooperation agreement was created. They should be reconsidered in current terms to address current issues.

Councilmember Loo noted this shows there is regional competition. Council needs to define what works for Louisville. For example, using the funding to encourage certain types of development that may not be financially feasible without help from the City.

Councilmember Maloney stated one of our objectives could be “to maintain the look and feel of downtown” and we could use TIF to help fund projects that do that.

Mayor Pro Tem Lipton stated one principal he would like to include is not using incentives for residential development in the URA. Councilmember Leh asked what if it was for certain kinds of housing, perhaps senior housing. Mayor Pro Tem Lipton stated we don’t need it here because of the market conditions.

Mayor Muckle stated Council should give input on the draft criteria for how TIF could be used for direct financial assistance. Any input tonight would be included in the next draft.

Councilmember Stolzmann stated Council needs to agree on the principals for when to use TIF. We need additional information about when it is successful or not to be able to have that conversation. City Manager Balser stated staff can find information but it may be subjective depending on the source. It may be difficult to find meaningful information.

Mayor Pro Tem Lipton stated he doesn’t want to spend too much time on research which is all conflicting; we need to decide what principals we want for Louisville. We can be pragmatic about this and create what we need.

Councilmember Leh stated he would like to know what has been controversial in the state and what is not working. That may give us a good sense of what principals other communities have found that work.

Councilmember Loo stated it is so subjective; we need to determine what is important to us and fund that.

Mayor Muckle stated Council should review the latest draft of criteria and principals and give input on that document to staff. Staff will create a new draft for further discussion.

Councilmember Stolzmann stated she would like there to be more discussion on options on how to handle new taxes in a URA.

City Manager Balser stated quarterly reports from the LRC will be in the Council packets going forward to help Council know what the LRC is working on.

### **ADVANCED AGENDA & IDENTIFICATION OF FUTURE AGENDA ITEMS**

Members reviewed the advanced agenda.

Mayor Muckle stated if the LRC is working on these items Council should have a conversation about filling the vacancies on the board before January 2020. He would like to review the previous candidates and interview the top candidates we are interested in. They should have a full board to do this work.

Mayor Pro Tem Lipton noted the LRC needs members because its rules don't allow the passage of anything without four votes. He would feel more comfortable having a full complement of members before January.

Mayor Muckle asked if Council would like to revisit filling LRC vacancies. Members agreed to add this to a future agenda.

Councilmember Stolzmann asked if Council would like to add a discussion on the advanced agenda for updating the urban renewal plan and address how it handles new taxes. There was no consensus to add this item at this time.

### **ADJOURN**

Members adjourned at 9:43 pm.

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Robert P. Muckle, Mayor

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Meredyth Muth, City Clerk